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NOTIFICATION.

(LAW DEPARTMENT).

No. LAW 136 LCA 62. dated Bangalore, 7th January 1963.

Ordered that the Taxation Laws (Amendment) Act, 1962 (54 of 1962), which has been published in the Gazette of India, Extraordinary, Part II, Section 1, dated the 14th December, 1962, be republished in the *Mysore Gazette*, for general information.

By Order and in the name of the Governor of Mysore,

T. VENKATANARANAPPA,
Under Secretary to Government I/c. Law Department.

Assented to on 13th December 1962. Act No. 54 of 1962.

THE TAXATION LAWS (AMENDMENT) ACT, 1962 (54 OF 1962).

AN

ACT

further to amend the Income-tax Act, 1961. *and the Wealth tax Act*, 1957.

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

Short title.

1. This act may be called the Taxation Laws (Amendment) Act, 1962.

Amendment of section 2.

2. In section 2 of the Income-tax Act, 1961 (43 of 1961), (hereinafter referred to as the Income-tax Act), in clause (14), after sub-clause (*iii*), the following sub-clause shall be inserted, namely:—

"(*iv*) 6½ per cent. Gold Bonds, 1977 issued by the central Government;".

Amendment of section 88.

3. In section 88 of the Income-tax Act,—

(*i*) for sub-section (*1*), the following sub-section shall be substituted, namely:—

"(*1*) Subject to the provisions of this section, the assessee shall be entitled to a deduction from the amount of income-tax on his total income with which he is chargeable for any assessment year of an amount equal to the income-tax calculated at the average rate of income-tax on any sums paid by him in the previous year—

(*i*) as donations to the National Defence Fund set up by the Central Government; or

(*ii*) as donations to any other fund or any institution to which this section applies; or

(*iii*) as donations to Government or to any local authority made on or after the 1st April, 1960, to be utilised for any charitable purpose.".

(*ii*) in sub-section (*3*), after the existing proviso, the following proviso shall be inserted, namely:—

"Provided furfher that where any sum paid during the previous year includes any donation to the National Defence Fund set up by the Central Government the amount covered by that donation shall be excluded in calculating the limits specified in this sub-section.";

(*iii*) in sub-section (*5*), for the words "only to donations to an institution or fund established in India for a charitable purpose which", the following shall be substituted, namely:—

"to donations to any institution or fund referred to in clause (*ii*) of sub-section (*1*), only if it is established in India for a charitable purpose and if it".

Amendment of section 193.

4. To section 193 of the Income-tax Act, the following proviso shall be added, namely:—

"Provided that no tax shall be deducted from any intrest payable on 4½ per cent. National Defence Bonds, 1972 or 6½ per cent. Gold Bonds 1977, where any such Bonds are held by an individual, not being a non-resident, and in the case

of rhe Gold Bonds, the holder thereof makes a declaration in writing before the person responsible for paying the intrest that the total nominal value of the Gold Bonds, held by him including the Gold Bonds, if any, held on his behalf by any other person did not exceed ten thousand rupees at any time during the period to which the intrest relates.".

Amendment of section 5 of Act 27 of 1957.

5. In section 5 of the Wealth-tax Act, 1957,—

(*i*) in sub-section (*1*), after clause (*xvi*), the following clause shall be inserted, namely:—

"(*xvia*) 6½ per cent. Gold Bonds, 1977;";

(*ii*) in sub-section (*2*), for the word, brackets and figures "clause (*xvi*)", the words, brackets and figures "clause (*xvi*) or clause (*xvia*)" shall be substituted.

R. C. S. SARKAR,

Secretary to the Government of India.